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NSC BRIEFING

8 November 1954

CHINESE OFFSHORE ISLANDS

- I. Bad weather has helped to keep situation in Tachens relatively quiet since Communist air strikes of 1-2 November.
- A. High winds struck Tachens area from edge of Typhoon Pamela, which changed direction and moved toward Indochina on 6 November. Second typhoon, Ruby, moving south of Formosa toward Hong Kong on 7 November.
- B. These typhoons no longer a factor in Tachens situation.
- II. In Tachens area in past week, Communist planes have bombed Ichiang, 8 miles northwest of Tachens, and have reportedly hit Yushan, 30 miles northeast.
- A. On 2-4 November, Nationalist planes bombed Communist artillery positions on Toumen, north of Ichiang, but Communist artillery on Toumen continues to hit Ichiang.
- B. Yushan has been vulnerable since May, when Communist occupation of six islands north of Tachens threatened to cut supply line to Yushan.
- C. This is first report, however, of Communist pressure on Yushan.

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III. Sightings in Tachens area of Communist gunboats and patrol vessels have doubled since 1 November.

A. No reports of naval clashes in past week.

On 5 November, Communist artillery on Toumen hit a Nationalist minelayer firing at Toumen.

B. Nationalist navy is keeping 7 or 8 ships in Tachens area despite Communist air superiority.

IV. Several possible forms of Communist action against Tachens.

A. Communists could probably make Tachens untenable by sustained air attacks, destroying water reservoirs, interdicting supplies.

B. Alternatively, Communists could take Ichiang Island to northwest. Its capture would allow Communist artillery to harass upper and lower Tachen.

C. Communists could easily take other islands in Tachen defense command, farther from Upper and Lower Tachens--Yushan, Pishan, Nanchi.

D. Communist capture of these lesser islands might panic Nationalists into withdrawing from main islands of group.

V. In Quemoy area, Communist activity seems to be largely defensive.

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- A. Artillery duels continue, but neither side seems able to inflict much military damage.
- B. Communist invasion of Quemoys would require massing more troops than number now based at Amoy. Only 50,000 there now, and invasion would require 150,000.

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VI.

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- B. Communists remain capable of taking any or all of major offshore islands against Nationalist opposition alone.
- VII. Peiping's plans almost sure to be affected by indications of US intentions--for example, current news stories from Washington purporting to set forth US policy on Formosa and offshore islands.
- A. Moscow and Peiping have long been aware that US would fight to defend Formosa and Pescadores.
  - B. Communists have been in doubt, however, about offshore islands. Attacks on Tachens of 1-2 November, like bombardment of Quemoys 3 September, seemed aimed primarily at testing US intentions.

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VIII. Current stories say that US is negotiating mutual defense pact with Nationalists on understanding Taipei will avoid provocative attacks on mainland.

- A. In first comment on these stories, Peiping has repeated standard line that US is "pushing ahead its talk with the traitorous Chiang Kai-shek gang for a treaty of military aggression."
- B. Peiping's first comment made no reference to those parts of Washington press stories concerned with policy toward offshore islands.

IX. Difficult to judge whether offshore island situation will be immediately affected by these stories.

- A. Communists might conclude, on basis of these stories, that US is very reluctant to become involved.
- B. They may therefore judge that US is bluffing in moving into waters northeast of Formosa on 7 November two US carriers, two destroyer divisions.
- C. They cannot be certain, however, that US will not intervene if necessary.
- D. On balance, seems more likely than not that Communists will make further efforts to determine whether US is bluffing before attempting invasion of major offshore

islands--Quemoys, Upper and Lower Tachens,

- 5 -

E. While continuing limited military action against major islands, and perhaps invading lesser islands, Communists seem likely to wait for further news stories, official US statements, information through diplomatic channels, and leaks from Taipei.